Not all income is created equal.

Be Selective.

Salient Select Income Fund

is a portfolio of REIT senior securities and high-income equities designed to grow and preserve wealth in all stages of the economic cycle, including those characterized by rising interest rates and inflation.

The fund's distinctive focus on REIT preferred securities offers a compelling opportunity for investors seeking income. While REIT preferreds make up a small segment of the broader preferred securities landscape, these securities provide investors attractive advantages such as higher levels of **transparency**, **lower leverage**, **cumulative dividends** and the structural requirement to distribute **cash flow** to investors.

Be Selective About Your Cash Flow Generation

Salient Select Income Fund utilizes a value-oriented, benchmark-agnostic approach to invest in real estate securities across the REIT capital structure, aiming to produce consistent cash flows and actuarial returns over the long term. The actively managed fund has achieved strong income performance with approximately two-thirds of its historical returns generated through current income and dividends. By investing in REIT preferred securities, which have historically traded at attractive yield spreads relative to instruments of similar credit quality, the fund offers investors less price sensitivity than traditional bonds as well as a potential "cushion" against the impact of rising rates and inflation (*Figure 1*). In addition to delivering historically higher yields (*Figure 2*), preferred securities typically have features, such as convertibility, that offer the potential to participate in growth.

The investment team's bottom-up investment approach is guided by a unifying philosophy that evaluates the quality of each REIT's portfolio of assets, the durability and growth potential of the cash flows those assets generate, and the acumen with which the management team stewards the assets. The fund's value bias targets discounted securities that offer the opportunity for price recovery while limiting downside risks. With the goal of optimizing yield in the context of total return, the team may also allocate to common stock securities and bonds to capture attractive value, enhance the liquidity profile, manage interest rate exposure and take advantage of misunderstood credit situations.

FIGURE 1

Correlations to Salient Select Income Fund

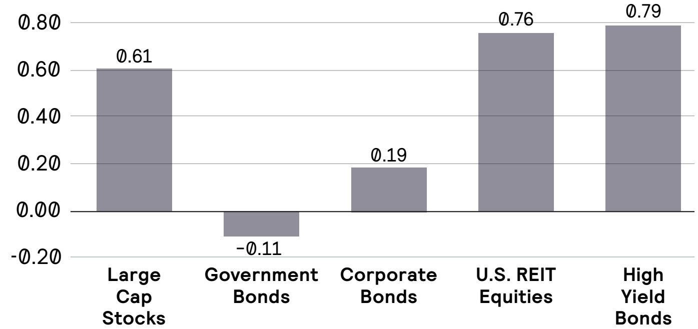
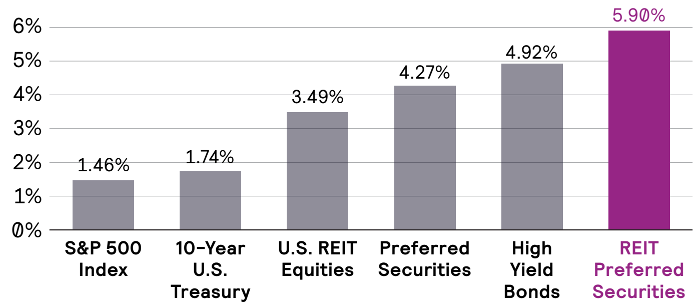


FIGURE 2

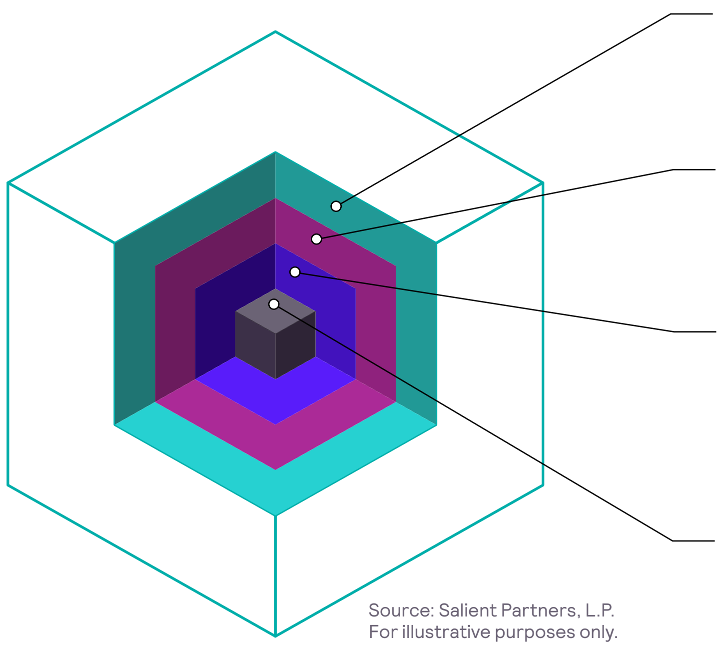
Current Yields



Sources: NAREIT, Bloomberg and Wells Fargo, as of 03/31/21. S&P 500 Index; 10-year U.S. Treasury: U.S. 10-Year Government Note; U.S. REIT Equities: FTSE NAREIT Equity REITs Index; Preferred Securities: ICE BofAML Fixed Rate Preferred Securities Index; High Yield Bonds: ICE BofAML U.S. High Yield Master II Index; REIT Preferred Securities: Wells Fargo Hybrid and Preferred Securities REIT Index

Past performance does not guarantee future results.

Cutting to the Core of Salient's In-Depth Investment Process



Credit Analysis

Utilizing fundamental credit research, the investment team tactically allocates throughout the capital stack, from preferred securities to common equity and bonds, as conditions warrant.

Structure Analysis

The investment team evaluates and invests in securities with unique structures that can enhance credit and offer the potential to participate in growth.

Pricing Analysis

The investment team's value-oriented approach involves a continuous assessment of the real estate securities landscape coupled with the ability to transact in the primary and secondary markets as opportunities present themselves.

Risk Management

A rigorous risk management framework helps the team regularly evaluate risks the portfolio might be exposed to, ensuring ongoing diversification of risks that dominate traditional portfolios.

Source: Salient Partners, L.P.
For illustrative purposes only.

REIT: real estate investment trust

Be Selective About Your Management Team

An experienced management team with a seat at the new issuance table

REIT preferred securities are a niche space ripe for active management. Having spent nearly two decades as a professional investor, John Palmer joined the Salient real estate investment team in 2013 and took over as lead manager of the Salient Select Income Fund in the spring of 2021.

As a large institutional buyer of REIT preferred securities, the investment team has regular dialogue with REIT management teams and actively negotiates on pricing terms and structures when new issues come to market. Simultaneously, utilizing the skills and capacities of veteran head trader David McGanney, the fund seeks to move quickly to capitalize on dislocations in the secondary market.

John Palmer
Portfolio Manager

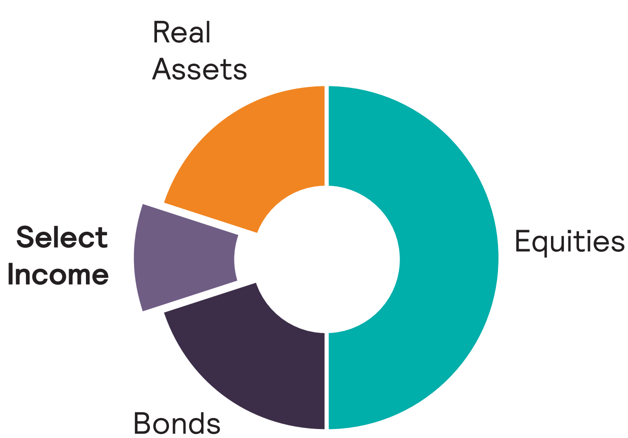
David McGanney
Head Trader

William Metzler, CFA, CAIA
Investment Analyst

Be Selective About Your Portfolio

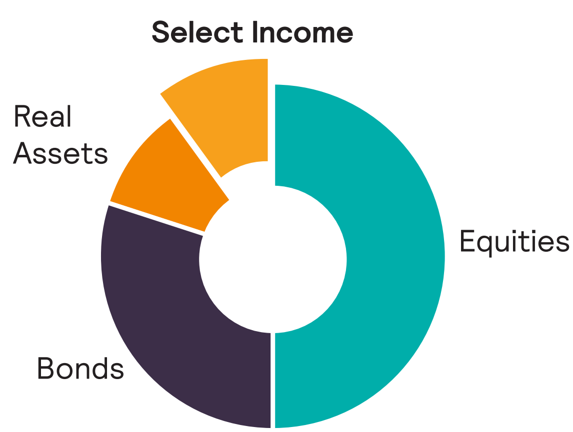
Advisors typically implement the fund into their portfolio in two primary ways:

An Income Play



The fund seeks to deliver a high level of income year after year that is historically uncorrelated to the 10-year U.S. Treasury. Income has generated on average two-thirds of the fund's historical returns.

A Real Asset Diversifier



With underlying investments in tangible properties, the fund is often used to diversify a real asset allocation as REITs have the potential to grow with the real economy and can offer potential inflation protection.

You should consider the investment objectives, risks, charges and expenses of any mutual fund carefully before investing. The prospectus contains this and other information and is available, along with information about the series of funds under the Forward Funds trust ("Salient Funds"), by downloading one from www.salientfunds.com or calling 800-999-6809. The prospectus should be read carefully before investing.

The series of funds under the Forward Funds trust ("Salient Funds") are distributed by Forward Securities, LLC. Forward Management, LLC d/b/a Salient is the investment advisor to the Salient Funds.

Salient Select Income Fund seeks high current income and potential for modest long-term growth of capital.

RISKS

There are risks involved with investing, including loss of principal. Past performance does not guarantee future results, share prices will fluctuate and you may have a gain or loss when you redeem shares.

Borrowing for investment purposes creates leverage, which can increase the risk and volatility of a fund.

Concentration in a particular industry will involve a greater degree of risk than a more diversified portfolio.

Debt securities are subject to interest rate risk. If interest rates increase, the value of debt securities generally declines. Debt securities with longer durations tend to be more sensitive to changes in interest rates and more volatile than securities with shorter durations.

Derivative instruments involve risks different from those associated with investing directly in securities and may cause, among other things, increased volatility and transaction costs or a fund to lose more than the amount invested.

Investing in exchange-traded funds (ETFs) will subject a fund to substantially the same risks as those associated with the direct ownership of the securities or other property held by the ETFs.

Investing in lower-rated ("high yield") debt securities involves special risks in addition to those associated with investments in higher-rated debt securities, including a high degree of credit risk.

Mortgage and asset-backed securities are debt instruments that are secured by interests in pools of mortgage loans or other financial instruments. Mortgage-backed securities are subject to, among other things, prepayment and extension risks.

Investing in the real estate industry or in real estate-related securities involves the risks associated with direct ownership of real estate which include, among other things, changes in economic conditions (e.g., interest rates), the macro real estate development market, government intervention (e.g., property taxes) or environmental disasters. These risks may also affect the value of equities that service the real estate sector.

Short selling involves additional investment risks and transaction costs, and creates leverage, which can increase the risk and volatility of a fund.

Investing in smaller companies generally will present greater investment risks, including greater price volatility, greater sensitivity to changing economic conditions and less liquidity than investing in larger, more mature companies.

There is no guarantee the companies in our portfolio will continue to pay dividends.

Diversification does not assure profit or protect against risk.

10-year U.S. Treasury is a debt obligation issued by the U.S. Treasury that has a term of more than one year but not more than 10 years.

Cash flow is a revenue or expense stream that changes a cash account over a given period.

Correlation is a statistical measure of how two securities move in relation to each other.

Credit quality informs investors of a bond or bond portfolio's credit worthiness, or risk of default.

FTSE NAREIT Equity REITs Index is representative of the tax-qualified REITs listed on the New York Stock Exchange, the American Stock Exchange and the NASDAQ National Market, excluding timber and infrastructure REITs.

ICE BofAML Fixed Rate Preferred Securities Index is a capitalization-weighted index of preferred stock issues that is generally representative of the market for preferred securities.

ICE BofAML U.S. High Yield Master II Index tracks the performance of below-investment-grade, U.S. dollar-denominated corporate bonds issued in the U.S. domestic market.

S&P 500 Index is an unmanaged index of 500 common stocks chosen to reflect the industries in the U.S. economy.

Wells Fargo Hybrid and Preferred Securities REIT Index consists of investment-grade, fixed and fixed-to-floating-rate U.S. dollar-denominated preferred securities.

Yield spread is the spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

One cannot invest directly in an index.

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